

ELKHORN RANCH AND WHITE RIVER NATIONAL FOREST CONVEYANCE ACT OF 2015

SEPTEMBER 9, 2015.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. BISHOP of Utah, from the Committee on Natural Resources,
submitted the following

R E P O R T

[To accompany H.R. 1554]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 1554) to require a land conveyance involving the Elkhorn Ranch and the White River National Forest in the State of Colorado, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 1554 is to require a land conveyance involving the Elkhorn Ranch and the White River National Forest in the State of Colorado.

BACKGROUND AND NEED FOR LEGISLATION

This legislation would correct a discrepancy in the survey of 148 acres in Garfield County, Colorado, currently known as Elkhorn Ranch, and require the U.S. Forest Service (USFS) to convey by patent the area to the Gordman-Leverich Partnership (GLP).

In 1908, three families began homesteading portions of the parcel after it was patented and conveyed into private ownership by the federal government. The area, which is directly north of the boundary of the White River National Forest (WRNF), has been owned by several successors since it was originally patented and was purchased by GLP in 1998. Since it was originally homesteaded, Elkhorn Ranch has been improved and used by patentees and their successors for ranching and agricultural purposes. Today seven

stock ponds, two developed springs, fences, and roads exist on the property.

Shortly before the parcel was originally patented, the General Land Office confirmed with the original patentees that their homesteads were located in Section 18 with east-west fence lines, which conforms to present fence lines. A subsequent survey conducted in 1949, which portrayed the southern-most boundary of the area on an angle rather than a true east-west line, resulted in the inclusion of the 148 acres in the boundaries of the WRNF and called into question the true ownership of the acreage. The patentees were not notified of this conflicting survey after its completion and the USFS first learned of the discrepancy in 2002.

Beginning in 2002, the Surveyor of the WRNF began to closely examine the conflicting surveys. In 2014, the Surveyor issued a report indicating that the original patents were based on a proper survey and recommended a “legislative boundary correction protecting bona fide rights” in order to correct the survey discrepancy and ensure that the area is re-patented to the appropriate private landowner.¹ The Garfield County Surveyor agreed with the USFS’ conclusion and recommendations.²

As a result of the Surveyor’s 2014 report, the Forest Supervisor of the WRNF recommended that the area be “confirmed in the successors in interest to the original patentees” and admitted that “the White River National Forest does not currently manage the 148 acres as National Forest land.”³ The Forest Supervisor has also stated that reaffirming the land as private would not “be counter to the Forest Land Management Plan . . . Nor would such conveyance have any meaningful impact on the goals that Congress intended to impose when it designated the boundaries of the White River National Forest.”⁴

In 2011, the Bureau of Land Management issued Federal oil and gas lease COC-75070, which overlaps a portion of the Elkhorn Ranch. The bill would maintain the valid existing rights of the leaseholder and would provide the United States the continued right to collect rent and royalty payments from this lease.

The conveyance does not modify the exterior boundary of the WRNF, and GLP would be required to pay for all costs related to any survey, platting, legal description, or other activities carried out to prepare and issue the patent.

COMMITTEE ACTION

H.R. 1554 was introduced on March 3, 2015, by Congressman Scott R. Tipton (R-CO). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Federal Lands. The Subcommittee had a hearing on the bill on June 16, 2015. On July 8, 2015, the Natural Resources Committee met to consider the bill. The Subcommittee was discharged by

¹ Bontrager, Wyman M. Professional Licensed Surveyor 29408, Forest Land Surveyor, White River National Forest Service, “Short Summary of Boundary Status—Beaver Creek; Sections 18 and 19, T. 7 S. R. 93 W., 6th PM.” February 19, 2014.

² Letter from Scott E. Aibner, P.L.S. Garfield County Surveyor to Andy Wiessner, Western Land Group. May 7, 2104.

³ Letter from Scott G. Fitzwilliams, Forest Supervisor, White River National Forest, to Senator Mark Udall. March 25, 2014.

⁴ Letter from Don G. Carroll, Acting Forest Supervisor, White River National Forest to John Case, Esq. October 20, 2004.

unanimous consent. No amendments were offered and the bill was ordered favorably reported to the House of Representatives by unanimous consent on July 9, 2015.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

H.R. 1554—Elkhorn Ranch and White River National Forest Conveyance Act of 2015

H.R. 1554 would require the Forest Service to convey 148 acres of federal lands in Colorado to a private entity. Under the bill, the federal government would retain the right to collect rent and royalty payments from an existing oil and gas lease on those lands; however, if that lease expires, the Bureau of Land Management (BLM) would not be allowed to offer the parcel for lease. Because CBO expects that enacting the bill could reduce offsetting receipts, which are treated as reductions in direct spending, from bonus bids over the next 10 years, pay-as-you-go procedures apply. However, we estimate that net bonus bids from the affected parcel would total less than \$500,000 over that period. Enacting the bill would not affect revenues.

In 2012, BLM issued a federal oil and gas lease on a portion of the affected lands. If the firm holding that lease takes certain steps to begin producing oil and gas before the lease is set to expire in 2022, the firm would retain the lease until production ended. Under current law and under the bill, the federal government would collect rent and any royalties generated from oil and gas produced on that lease, and 49 percent of those proceeds would be paid to the state of Colorado. In that case, enacting the bill would have no effect on direct spending.

If the lease expires in 2022, BLM could offer the parcel for lease after that date under current law. However, the agency could not offer the affected parcel for lease under the bill. Because CBO has no basis for determining how the relevant parties would respond if the lease were allowed to expire, our estimate reflects a point within a range of possible outcomes. Based on the amount paid for the lease in 2012 (\$335,000), CBO estimates that enacting the bill

would reduce receipts by less than \$500,000 over the 2022–2025 period.

H.R. 1554 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contacts for this estimate are Ben Christopher and Jeff LaFave. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

2. Section 308(a) of Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. The Congressional Budget Office estimates that “enacting the bill would reduce receipts by less than \$500,000 over the 2022–2025 period” owing to the possibility that a bonus bid might not be possible if the existing oil and gas lease expires in 2022 and is sold again.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to require a land conveyance involving the Elkhorn Ranch and the White River National Forest in the State of Colorado.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

COMPLIANCE WITH PUBLIC LAW 104–4

This bill contains no unfunded mandates.

COMPLIANCE WITH H. RES. 5

Directed Rule Making. The Chairman does not believe that this bill directs any executive branch official to conduct any specific rule-making proceedings.

Duplication of Existing Programs. This bill does not establish or reauthorize a program of the federal government known to be duplicative of another program. Such program was not included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139 or identified in the most recent Catalog of Federal Domestic Assistance published pursuant to the Federal Program Information Act (Public Law 95–220, as amended by Public Law 98–169) as relating to other programs.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.